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FOREIGN LAWYERS IN JAPAN: AN INTERVIEW WITH JAMES V. FEINERMAN OF HARVARD LAW SCHOOL

Summary

While not a burning issue, the question of permitting foreign lawyers to practice in Japan has assumed growing prominence in bilateral relations, both as a practical matter and as a symbolic problem for U.S. service firms anxious to expand their international sales. JEI political analyst Michael W. Chinworth recently explored this issue and its implications for the two countries with James V. Feinerman, fellow and administrative director of Harvard Law School's East Asian legal studies program.

In an accompanying commentary, Akio Harada of the Ministry of Justice reviews access for foreign lawyers from the Japanese perspective.

Q. Given the rather unorthodox nature of this issue, what do you see as the most important factors involved in it?

A. In this area, as in so many others in U.S.-Japan relations, what really seems most important is the perception, not necessarily the reality, of openness. There has been a perception that Japan has zealously guarded the legal profession. American lawyers don't necessarily suffer from it, but American companies that are seeking to do business with Japan are at a disadvantage. And I think that makes certain sectors of the American bar feel disadvantaged in getting what they perceive as their rightful share of the

legal business that would otherwise come to them from Japan -- not necessarily in Japan, but in the United States or elsewhere abroad. Because of their special expertise in certain areas of law, they are increasingly important to Japan.

Beyond that, the peculiar history of foreign lawyers in Japan since the war has added fuel to this fire. There was a period of great openness right after the war when a certain number of foreign lawyers, most of them Americans, became grandfathered in. Then the door shut when the occupation ended. I don't think that really mattered to most American legal professionals until the mid-1960s or so, when Japan's economic importance became quite apparent. And by that time it was a given that, except for the grandfathered lawyers, it was impossible for foreign lawyers to practice in Japan unless they were willing to go the arduous route of Japanese legal education and pass the Japanese bar examinations. Even then, their lack of citizenship would probably adversely affect them, even if they did overcome all these other hurdles.

In the early 1970s, certain American jurisdictions began opening up to foreign legal consultants -- notably New York -- and I think the pressures grew to try and work out some sort of accommodation for American lawyers to be active in Tokyo, although not necessarily to practice law. This was in some ways fostered by the fact that first Hong Kong and later Singapore, after some initial resistance from local lawyers, opened up to American firms interested in practicing there. Japan, as the largest economy in the region, obviously attracted a great deal of U.S. business and investment. American lawyers considered it the most logical base for servicing clients in Japan as well as elsewhere in Asia.

One thing that I should make clear at the outset is that there is a discrepancy between what the Japanese bar -- the Nichibenren -- thinks American lawyers might be doing in Japan and what American lawyers in fact want to do. I don't think it's ever been the interest of more than a handful of Americans to be fully practicing lawyers in Japan. There's no interest in going into court and there is certainly no question of ever litigating. The practice of American firms with overseas branches has always been to rely on local lawyers for that kind of representation.

But there is an area of international commercial practice where I think a handful of American firms really have a lock on the market. As the importance of Tokyo as an international capital market grows, and as the Japanese economy expands, U.S. law firms are becoming more interested in that business. And not necessarily only in Japan. It would also involve advising Japanese companies and corporations when they act outside of Japan. Law firms also like having a base to advise clients when they come to them for representation in the United States.

At first this might not have been too much of a sticking point because the style of Japanese law practice is very different from that in the United States. The very largest firms have maybe 20 people, compared to the behemoths in the United States that have 200 or 300 lawyers. And to do this kind of practice, it is always necessary to have a large corps of junior lawyers to

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draw upon. In recent years, though, a few Japanese firms have shown increasing interest in this type of practice. It is very interesting, very high-powered -- and also very lucrative. As their interest has grown, fears have correspondingly developed that if American lawyers are allowed even a consulting role in Japan, all this business will be sucked out by American firms, and there will never be a chance for the Japanese firms that are interested or that could eventually develop the expertise to get into that end of the business.

Q. In very rough terms, what dollar amounts would be involved?

A. Well, we're talking about potentially million-dollar fees for some complex transactions. Certainly fees in the tens and hundreds of thousands of dollars for single transactions.

Q. And industry-wide, how much would be involved?

A. Perhaps $10 million to $20 million in billings in any given year. This is obviously attractive to both sides.

Q. Compared with telecommunications equipment or automotive trade, though, the amounts are still rather small. Why should such a relatively minor amount raise such a problem?

A. Well, an analogy might be a kind of "infant industry" mentality. Some industries were protected in the 1950s and 1960s. Foreigners were held at bay until Japan developed to a level where it could compete internationally. The few law firms and lawyers who are opposing the admission of foreign legal consultants may be taking a similar approach: "We know that we are at a disadvantage now vis-a-vis some of the Wall Street law firms, but we'll never develop any kind of expertise if they're allowed to come in here and take over the market."

Q. A key distinction between this issue and usual trade matters seems to be the fact that in the U.S. legal system, individual states have the right to admit foreign practitioners. That is strictly a state matter. Wouldn't this restrict the right of the U.S. government to make demands on a profession in another country?

A. This has been a continuing problem, and I think it is not going to find any quick resolution. Admission to practice here is going to be limited state by state.

Q. As I understand it, there are some states that won't even accept practicing attorneys from other states.

A. Yes. Although many states admit lawyers who have practiced for a number of years in another state on the basis of a certain kind of comity or reciprocity, there are still states -- Florida, for example -- that won't accept an out-of-state lawyer even after years of practice, much less a lawyer from a foreign country. In fact, I think there are only three or four jurisdictions in the United States that have any provision at all for accepting lawyers from abroad. They happen to be the jurisdictions that are most interested in foreign trade. New York, as soon as the issue was raised, changed its

standards to allow people to come in as foreign legal consultants, paving the way for New York lawyers to be able to practice around the world.

Illinois, which has traditionally been quite resistant and very close-minded about the admission of foreign lawyers, is now under considerable pressure from Governor Thompson to open up. He is a lawyer, a member of the Illinois bar, and feels that Chicago law firms may suffer vis-a-vis New York because of that state's greater willingness to admit foreign lawyers in some position.

Q. What is the situation in California?

A. I think that California has been slower to act than New York, but the door is open, at least partly, for foreign lawyers to come in. But aside from these few states and Massachusetts -- which provisionally allows foreign lawyers -- there are really very few states that have shown any willingness to allow foreign lawyers to practice. This works to the disadvantage of the United States. It affects, for example, the proposals that have been made about permitting foreign lawyers to practice in Japan. Japan has said that lawyers from any nation that has a federal bar system will be admitted to practice in Japan if more than half of that country's states or provinces admit foreign lawyers.

That means that New York lawyers, who constitute about 80 percent of the qualified lawyers in international finance in the United States, are kept out of Japan because states with no interest in international practice, like Montana and Arkansas, refuse to admit foreign lawyers -- who would probably not seek admission there in any event. And that can be a continuing problem. I can't see any way of changing the situation at the state level, short of action at the very top of the American Bar Association. And even there I think it would take so long, and its eventual effectiveness would be so dubious, that it wouldn't be worth trying to cause a massive shift in American state bar attitudes.

It is interesting that American lawyers who understand the attitude of state bars on this point tend to become curiously forgetful when confronting a very similar prejudice in Japan. There is some of the same market protection through the use of standards in the Florida bar as in the Japanese bar. But although it's the price of doing business in Florida -- you have to take the bar exam and be admitted as a Florida lawyer -- it seems ridiculous to American lawyers that Japan would impose a similar barrier to entrance.

The more interesting argument that I've heard -- and this may be the flip side of the "infant industry" argument -- is a kind of transfer of technology matter. A lot of lawyers have said that the Japanese bar can only benefit by admitting foreigners who will raise the general level of legal expertise in, for example, Tokyo's international and financial markets. The prime minister of Singapore, Lee Kuan Yew, made this argument to the Singapore law society, for example, when that bar was resisting the admission of foreign lawyers. Mr. Lee was more interested in the general benefits that would enable Singapore to become an international financial center, which it could not do without qualified lawyers.

Tokyo is not as dependent on the admission of qualified lawyers, but it is an attractive base for an international financial market, and that market will develop much more slowly without the expertise foreign lawyers can provide. I don't see the Japanese bar offering the kind of expertise that would be required to meet the demand created by a real international financial market in Tokyo. Foreign lawyers could fill this gap.

Q. Is there concern that the presence of American lawyers would influence the nature of the legal system itself, encouraging litigation over the more traditional means of negotiating in Japan?

A. Well, I've heard that concern raised, but I don't think that it has to be taken very seriously. First of all, as I mentioned at the outset, it's very unlikely that foreign lawyers from the United States or elsewhere would ever appear in the courts, other than as a member of an international arbitration body, and in such places they are already represented.

The one fear that might have some basis is that by bringing in a style of legal documentation that is heavily reliant on the Western mode of conflict resolution, the nature of international financial agreements to which Japanese companies are parties will change somewhat. But I think there too, Japanese banks and syndicates, for example, have been parties to international loan agreements governed by New York law with dispute resolution clauses that are decidedly Western. That is seen as one of the tickets of admission to the international financial market.

It could be seen by the Japanese bar as robbing Japan of some of its prerogatives, or robbing a potential Japanese borrower of its right to have a dispute in which it is involved governed by Japanese law. And it could lead to some increasing foreign influence on the style of dispute resolution, not in Japan as a whole, but in segments of the Japanese economy. But I don't think that fear is great enough to warrant keeping lawyers out; when it's been in their interest in the past, Japanese banks and Japanese borrowers have been willing to make concessions.

Q. I'm sure that some people would suggest that the only reason this has become an issue at all is because Washington has displayed an increasing tendency to press Japan on all fronts. Trade officials treat aluminum baseball bats and lawyers on the same level as telecommunications equipment and aerospace sales. How would you respond to that?

A. Well, the one point I'd make right off is that you have to remember who lawyers are in the United States, and this may be another telling difference between Japanese and American attitudes. The organized American bar is, if not the primary, then one of the two or three main opinion makers in this country. It is tremendously powerful and its influence extends to every locality -- to the highest levels of business and government. From the days of de Tocqueville on, its power has been disproportionate to its numbers.

One reason that Washington is pressing the issue is that lawyers have a voice to which the government is especially sensitive and tends to respond. But there is also a corresponding realization that if lawyers are satisfied, it may take some of the pressure off. You can turn the question around and say

that it may be in Japan's interest to mollify this group. In the long run, its satisfaction with the arrangements in Japan will probably be more important than making American farmers happy, despite the disparity in numbers and everything else.

The ABA is a tremendous trade organization -- a quarter of a million American lawyers are members -- and the legal profession is one of the few professions where practically everybody joins the professional association. But in fact, it is only a very small segment of the American bar whose ox is gored by the current arrangements. And just as with farmers or manufacturers, people tend to pull together behind that small segment of the membership that is affected to present a united front. I can't see that anyone would believe that the fees that would be paid to American lawyers acting as legal consultants in Japan would make even the beginning of a dent in the trade deficit. But in terms of the influence of lawyers on American opinion generally, it probably would change perceptions markedly. And that's the important thing.

On the other hand, I think that American lawyers tend to be rather insensitive to the position of the Japanese bar, especially the position of the bar in Japanese society -- not realizing the kind of voice that Japanese lawyers have vis-a-vis their government and other institutions. American lawyers tend to equate the position of lawyers in the United States with the position of lawyers everywhere else.

The Japanese bar doesn't have the same kind of influence that the American bar has, and I think it is rightfully worried that it may become the pawn, the victim, of a government in which it has very little voice.

Q. In what types of practice are American lawyers involved in other countries?

A. Well, American lawyers can practice on a consulting basis in many countries, which is what I think they are interested in doing in Japan. It's a special position. The idea is that you act as a consultant on your own country's law to your clients. You do not advise anyone -- either foreign country nationals or your own country's nationals -- on local laws in foreign jurisdictions. Advice you'd give in New York, say, about French law would not be given in Paris to an American or any other national.

I think that by and large American practitioners have been fairly rigorous in observing this standard. They have, among other things, their own malpractice liability to worry about. If they do hold themselves out as experts on French law and give some bad advice, they're in trouble. So they're unlikely to do it. They'll go to foreign lawyers or advise their clients to go to foreign lawyers for that kind of advice.

In a few countries -- and I think that this is one of the things that the Japanese bar has been particularly fearful of -- American lawyers have been able to practice by combining with a local law firm. Depending on the country, in the Middle East for example, they have a very subservient relationship to the lead lawyer and are really just contract employees. But in other cases it is a collaborative partnership. From what I know about the Nichibenren proposals, the Japanese have quite adamantly opposed that possibility. There

is no hint of a collaborative law business involving Japanese and foreign lawyers. The foreign lawyers will have their own offices; they will not even be allowed to hire Japanese nationals.

Both Singapore and Hong Kong had reservations about foreign lawyers because of the shared perception that Western lawyers might damage the indigenous legal system and legal culture. Initially the local law societies opposed their admission. Finally, it was agreed that foreign practitioners would merely be consultants. They would not be able to hire themselves out as solicitors or notaries, and they could only practice in the confined arena of international financial law. This mollified the local bar association.

I think, to their chagrin, they've seen this area grow in importance in the last ten or 15 years. When foreign lawyers first came to Hong Kong, it was not really a major international financial transactions capital. To some extent, the presence of these firms offering services for international loan syndicates, for example, produced tremendous growth. Now local lawyers would probably like to be a bit more involved in this area. But, as the Japanese bar fears, it has become the province of foreign firms. So it is a rather universal concern.

To get American lawyers admitted to practice overseas now, it is at least necessary for lawyers' home states to change their state admission practices. But very few states have shown a willingness to let foreign lawyers come in, even on a case-by-case exception basis. They cannot, in most cases, prevent a foreign lawyer who has graduated from an American law school from taking the bar -- and if he passes -- becoming a qualified lawyer. But in most cases, that's not the issue, and it's certainly not what American lawyers want abroad.

I doubt that there is more than a handful of people in the United States who could pass the Japanese bar, and even those who could probably wouldn't want to take all the time that would be necessary to do it. They want to be admitted for a few years for very limited purposes, and qualifying for the bar is just not necessary.

Interestingly, a couple of Japanese have been admitted to the New York bar, the first person last December. If there is any increase in that category, given the large number of Japanese students who are studying law at American universities, it may put the Japanese in a curiously anomalous position of saying, "Our nationals are taking and passing your state bars, so if you want to come to Japan and practice, there is an alternative course."

Q. Conceptually and culturally, what is it that distinguishes admission to the bar in Japan from other countries?

A. Well, two things. One is that in Japan, as in a number of other countries, it is not necessary to be a practicing lawyer to undertake a certain range of legal activities.

In some ways the Japanese system, or the British system -- which differentiates between solicitors and barristers -- says that if you're going to establish yourself as a lawyer, you should qualify yourself as someone who can go into court; that's the status of the bengoshi in Japan. That's what a barrister is in England, and it differentiates him from a solicitor.

But theoretically in the United States, anyone who has graduated from law school and passed the bar can step into the courtroom. It's the bane of our chief justice, who decries the low standards. In the Japanese context, it may be a way of keeping up the standards for the small number of legally educated people who are actually going to go out and practice law.

Aside from that, the Nichibenren has quite the same attitude as the American Medical Association: it has a valuable monopoly and it keeps it by controlling entrance to the profession. And, for the sake of its current members, it wants to keep the numbers down. To that extent, the bar examination is the most useful tool. Everyone has to pass through that conduit and by controlling the pass rate, you control the number of new entrants to the profession.

In a more macroeconomic sense, I think it's a way of funneling or channeling people's energies and talents. That is, there are large numbers of law graduates every year, but if there are limited opportunities for them to act as bengoshi, no useful purpose is served by taking them through two years of traditional legal training and preparation for the bar if, after passing it, there won't be any jobs.

Q. Would it also have an impact on the corporate sector? It would seem to mean moderate salaries, whereas U.S. lawyers often can do very well in the private sector.

A. Yes, but it also meets the needs of Japanese corporate employers who like having somebody with a little bit of legal background but who is flexible and can be moved around. I think someone who had been trained to become a bengoshi and then was admitted to the bar would be much more reluctant, probably, to take a variety of jobs in the corporate structure over his employment life.

On the other hand, somebody who has a law degree from a university but never went any further than that and joined a company right after graduation will be content to work in the legal department if necessary, but will also be willing to take assignments elsewhere. That may be very important. Industry does not want to narrowly channel its people. That's one of the hallmarks of the Japanese corporation. In fact, it may be one of the reasons for Japanese industry's great success. It has these capable generalists.

Q. How accessible is the European market to American lawyers?

A. It's all across the board. England and France have been the two jurisdictions in which the largest number of American lawyers and law firms have chosen to practice. Historically they have been pretty receptive. There have been American firms with branches there for 20 or more years.

There is a handful of lawyers in most of the other Common Market countries, but it's more difficult to predict their admissibility. In contrast, it's quite clear what you have to do if you want to set up an office in France or in England, and you can follow the experience of firms that have gone before you. There are a couple of firms that practice in Brussels because that's the seat of the European Community, and they have been welcomed there, too.

In many cases American firms have to hook up with some sort of global lawyer, who can be the entree into the local bar and provide a cover for the firm. A couple of firms -- most notably Baker & McKenzie, which is probably the American law firm with the largest number of foreign branches -- have consistently pursued a policy of doing just that. They hook up with a local law firm rather than send out people from the U.S. office, and find people already there who are conversant with American law and the law of the local jurisdiction.

Q. Can part of that British and French liberality be explained by the fact that so much U.S. law originated in Europe?

A. I'm not sure. Certainly in England it is, with the Commonwealth system. I'm not quite sure what accounts for it in France, except that Paris has always been a very desirable spot, a place that even firms with London offices were interested in because of its centrality and the amount of international financial activity that takes place there. French lawyers are every bit as nationalistic and provincial as the bar might be in Japan or in any other country. But there the foothold is quite well established. Foreign law firms are entrenched there.

In a way, it would be better to look at this as the exception to the rule. It generally is not possible for people to practice in jurisdictions in which they are not admitted. American law firms take it for granted that they can just go to a foreign country because their firms have branches in London and Paris. But in most of the world, it is impossible, although outside of Japan, there is enough play in the system that you can do it under cover: you hook up with a local lawyer, open an office and call yourself a consulting firm rather than a law firm. There are dodges. The reason push has come to shove in Japan is because all the legitimate avenues are closed, and all the backdoor techniques that might be used would very quickly be discovered by the organized bar.

Q. If indeed the Japanese bar has relatively less influence with its government than the American bar has in the United States, why is it not possible for the Justice Ministry to dictate a solution? The ministry seems to be deferring nearly 100 percent to the bar association on this issue.

A. Well, I think there are a couple of explanations. One is that it is not solely an issue that the Justice Ministry is capable of resolving. Since the ministry has been pushed by the U.S. government and by American lawyers into the trade realm, I think that in a way American firms may have done themselves a disservice and upped the ante. That is, drawing in more people on Japan's side to be concerned about an issue that could have been left alone.

But second, I think that the willingness to defer to the Nichibenren is a manifestation of Japanese concerns that this vulnerable area of Japanese professional practice -- a part of the Japanese economy -- might seriously suffer from an influx of experienced financial law experts from the United States.

That's a factor that tends to be discounted by the American side, but I think it is sincere. Perhaps there are people in the Justice or Finance ministries who could help in the assessment, but the Japanese bar knows the

situation and is the best judge of what will happen if there is a large influx of foreign lawyers. Although the bar association may tend to magnify the fears -- and there is an aspect of this that amounts to protection of a monopoly -- Nichibenren's concern is really not surprising.

I think the big question is whether other areas of the Japanese financial market are willing to put pressure on the lawyers' association and really force it to move on this, or if they're so interested in preserving their relationship with the Japanese lawyers they work with that they will accede to their wishes and support them. Eventually some sort of accommodation will be worked out -- as long as Japanese lawyers can see that some benefit will accrue to them -- just because it is so much in everyone's interest.

There is a system for foreign lawyers to practice for a year or two with Japanese firms as legal trainees. I think this system has been acceptable to the Japanese bar so far because it's controlled by Japanese lawyers. But I think some other accommodative situation could be worked out to allow foreign lawyers to get some legal training in Japan. A solution can be reached that assuages the fears of the Japanese bar, but also makes some headway in meeting the demand of foreign lawyers who want to be in Japan.

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LIBERALIZING THE LEGAL PROFESSION
Commentary by Akio Harada of the Ministry of Justice

It is claimed that Japanese barriers to foreign lawyers are formidable. This first became an issue in 1974 when the New York bar notified the Japanese Federation of Bar Associations (JFBA) of a newly established rule to license foreign lawyers to practice foreign law in New York as legal consultants without being admitted to the bar. New York encouraged JFBA to take similar measures. JFBA declined the recommendation in 1977, saying it was premature to take action and that the New York rule was still exceptional even in the United States. The United States Trade Representative has raised this as a bilateral trade issue since 1982.

There are roughly two systems regarding law practice. One, as in most European countries, is to let anyone engage in the practice of law if he/she does not use a title reserved to those in a certain field. The other system, used in Japan, the United States and Germany, is to restrict entry into the profession, licensing only those who are qualified to provide legal services. Japan established the present system in 1933.

The underlying rationale of the restrictive system is that the public should be protected from unqualified or irresponsible legal advice. For this purpose, the system requires that a lawyer be certified as sufficiently educated and trained as well as be subject to professional ethics and discipline.

If a country is to maintain such a system, it must prevent unqualified individuals from entering the profession, even if in practical terms it means restricting competition. This consequence, however, must not be construed as the purpose of the system. No one can ignore the fact that international legal service is becoming more and more significant. If the formal system of one country cannot cope with this trend, it must be adjusted accordingly.

Under the present law, JFBA and its members enjoy almost complete autonomy concerning their activities. The government -- including the judiciary -- has no control over licensing, although education and training are reserved to the government. This is the product of postwar reform by the Diet in 1949. This is why the government has been respecting the voluntary initiatives of JFBA on the issue.

The Special Committee of the JFBA has made public recommendations regarding possible reform of the present system. Although it basically follows the New York rule, it is premature to comment on each of the recommendations because the conditions and requirements of the new system will be revised to reflect additional domestic and international considerations. However, it is significant that the Special Committee recommended that the profession should be liberalized in spite of strong opposition among the members. Its other recommendations were made on this assumption and will be considered by a number of other participants, including the Ministry of Justice.

It has been suggested that JFBA is nothing more than a protective guild that should be excluded from any role under the new system. I am afraid this might be taken as a gratuitous insult. It is more constructive to encourage JFBA to react responsively to changes and the future of the profession, even if on a step-by-step basis.

On the other hand, the argument can be made that the U.S. legal system has already been liberalized because bar examinations in most states are comparatively easy for foreign applicants to pass, especially compared with the virtually non-existent possibility of foreigners passing the Japanese Judicial Examination. Those who observe this difference might feel that it is unfair for JFBA to insist on reciprocity by individual states.

JFBA's insistence on reciprocity, however, should be taken as a reflection of the concern and anxiety of U.S. lawyers in jurisdictions where proposals like the New York rule have been rejected or not yet considered. In light of these circumstances, JFBA would take it as a promising development if states with close economic and cultural relationships with Japan would at least consider liberalization.

It is inevitable and desirable to seek the most reasonable system in which local and foreign lawyers can cooperate in rendering international legal services to the public. But in overcoming cultural differences and backgrounds in the two societies, standards must be preserved and certain prerogatives of the systems must be respected.

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APPENDIX

Comparison of the number of people in the legal profession in the United States and Japan is a bit more complicated than it appears on the surface. The term "lawyer" as used in this country covers a broad range of areas that the Japanese have chosen to subdivide.

People Involved in Legal Work, 1982

Practicing Attorneys (Bengoshi)	11,745
Tax Attorneys	36,024
Patent Attorneys	2,427
Judicial Scriveners	13,520
Administrative Scriveners	16,088
Governmental In-House Legal Advisors	2,200
Corporate In-House Legal Advisors	6,000
Judges	2,688
Public Prosecutors	2,000
Law Professors	2,500

Bengoshi are specialists in criminal defense and civil law. Tax and patent attorneys are distinct from bengoshi in that they represent clients only in their particular fields. Judicial and administrative scriveners prepare correct forms and documentation for those citizens wishing to petition the courts on their own. As in the United States, in-house legal advisors serve the purpose of aiding organizations in business and public relations matters. Judges and public prosecutors, also bengoshi, perform functions similar to their U.S. counterparts.

Like most educational advancement in Japan, the process of becoming a bengoshi involves entrance examinations with a miniscule pass rate. Aspiring law students begin with an undergraduate curriculum that emphasizes the study of historical and present civil, criminal and commercial codes and constitutional law; they receive little exposure to the liberal arts. To be admitted to the sole law school in Japan -- the Legal Training and Research Institute -- students must pass the national legal examination (shiho shiken). The number of applicants passing the test is set at 500. The typical student takes the entrance exam at least three or four times. The average age of the successful applicant is nearly 28.

Shiho Shiken Success Rate

Year	Number of Applicants	Number Passing	Success Rate
1949	2,514	265	10.5%
1954	5,172	250	4.8
1959	7,819	319	4.1
1964	12,728	508	4.0
1969	18,453	501	2.7
1974	26,708	491	1.8
1979	28,622	503	1.7
1984 (estimated)	35,000	500	1.4

Once a student is accepted in law school, there is a two-year apprenticeship in areas of legal drafting, trial discourse and other practical matters concerning the role of a bengoshi. The only other obstacle is a final examination, but the success rate for this is nearly 100 percent. From there, graduated students may choose to become assistant judges, public prosecutors or bengoshi.

While approximately 60 percent of all bengoshi are registered in Tokyo and Osaka, providing a 1-to-2,200 ratio in Tokyo, in many rural prefectures the ratio is one bengoshi for every 40,000 people.

It is also interesting to note that law firms, even in Tokyo, rarely exceed five to seven members. Solo practitioners are common, and the overall average number is 2.7 lawyers per office.

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